



Strategic Guidance to the Institute for Apprenticeships and Technical Education

**Presented to Parliament pursuant to
section ZA2(9)(b) of the
Apprenticeships, Skills, Children and
Learning Act 2009**

April 2021



Gillian Keegan MP

Parliamentary Under Secretary of State for Apprenticeships and Skills

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23 April 2021

Dear Jennifer,

STRATEGIC GUIDANCE TO THE INSTITUTE FOR APPRENTICESHIPS AND TECHNICAL EDUCATION 2021-2022

I am pleased to issue you with strategic guidance for the financial year 2021-2022. The guidance sets out government priorities for the Institute for Apprenticeships and Technical Education's (the Institute) role in apprenticeships and technical education reform.

The Institute must have regard to the matters set out in this document when performing its functions (the legal basis for the guidance is at annex B). I expect the Institute to include this guidance as part of its business planning process and objective-setting. I look forward to receiving updates on progress through our regular conversations. The department will also monitor progress through your quarterly performance reviews, as well as through the apprenticeships and technical education reform programme boards.

The response to the Covid-19 outbreak has brought with it incredible challenges and I would like to thank you again for the significant progress the Institute made in 2020-2021, working with the department, to mitigate the impact of that uncertainty on employers, providers, apprentices and students.

The Institute has made great strides towards ensuring that skills provision is employer centred, high quality and reflects the needs of a modern and competitive

economy. It is to your credit that you have delivered the technical qualifications that have allowed the first T Levels courses to be taught from September 2020 and launched an approval process for qualifications at levels 4 and 5 that gives students and employers confidence in the consistency and quality of higher technical education. The flexibilities you introduced to apprenticeships assessment have meant that many apprentices have continued to complete their apprenticeships despite the disruption caused by the pandemic. This was delivered alongside your continuing improvements to ensure apprenticeships remain a high value, high quality product.

Our country now faces a huge challenge to rebuild the economy and drive down unemployment. At the same time jobs, and the skills they require, are evolving in response to technological advances and our role in reducing global carbon emissions. With that challenge comes opportunity, to listen and learn from employers who are at the heart of our reforms, and to improve the products we deliver and how they are delivered. Together we can build a skills system that provides what employers, employees and students need now to support economic recovery, and has the foresight required to adapt our skills base to meet the needs of our future.

The Institute will play a crucial role in making those improvements a reality, maintaining quality, and bringing about the systemic reform set out in the Skills for Jobs white paper. This will include introducing flexibilities that allow more people to access and progress in high quality apprenticeships, building a foundation of occupational standards for both apprenticeships and technical qualifications that provide clear progression paths and can adapt to keep pace with technological and environmental change. This agile approach will both keep up with demand, and anticipate future need, whilst protecting and maintaining quality.

To support the department's strategic ambition for skills over the next three years, this year's guidance provides an indication of what the Institute is expected to achieve by 2023-2024, so you can build that mid-term view into your strategic planning and resourcing profile.

I expect the Institute to have regard to policy decisions made by the department and to the need to make operational changes required to reflect and deliver such policy. The department will work with the Institute during the policy development process to make sure that operational and delivery requirements are taken into account. Furthermore, the Institute should continue to contribute to the affordability of the apprenticeships and technical education programmes by ensuring that occupational standards and technical qualifications maximise value for money.

The Institute's remit is England-only. There may be occasions where it would be beneficial for the Institute to support the department in its discussions with devolved administrations to address issues facing employers who work across borders. This should be done in accordance with its legislative remit and the priorities and objectives set out in its business plan.

The Institute should continue to work with employers and build strong relationships with government and other arm's length bodies, such as the Education and Skills Funding Agency (ESFA), Ofqual, Ofsted and the Office for Students including through the Quality Alliance. I would also like to see the Institute work more closely with occupational regulators to ensure that there is good alignment between technical education and the needs of regulated occupations. This may require you to build closer links with other government departments in collaboration with the Department for Education and I am keen to support you in doing this.

Similarly, you should work with, and where appropriate consult, other organisations who do not have a statutory role but represent groups with significant involvement or interest, such as awarding bodies, professional bodies, providers and assessment organisations.

I expect the Institute to deliver the priorities set out in annex A and to discharge its functions in a manner that is transparent and ensures that employers, and other stakeholders, are clear about its approaches, rules, procedures and the support it offers to engaging with the national skills system.

I look forward to continuing to work with you as you deliver against these important priorities.

Yours sincerely,

A handwritten signature in blue ink, appearing to read 'Gillian Keegan', with a stylized, flowing script.

Gillian Keegan MP
Parliamentary Under Secretary of State for Apprenticeships and Skills

Annex A: Priorities for 2021-22

1. Clear progression paths for career-led learning

1.1 In 2021-22 the Institute is asked to create a strong foundation for apprenticeships and the technical education system by developing a comprehensive set of high quality, employer-owned standards that encourage take-up and enable progression and the adoption of emerging skills needs. To achieve this the Institute will:

- Develop occupational standards that reflect the occupational requirements of employers of all sizes and are of appropriate quality. Standards should support apprentices to achieve progression throughout their careers, including to higher-level occupations within a route, with clear pathways aligned to the occupational maps, which enable transferability between different sectors and technical routes. They should also form the basis of T Levels, higher technical qualifications and other technical qualifications, and ensure that there is progression between different technical education provision and occupations where relevant.
- Ensure the ongoing relevance and quality of standards, including by using robust estimates to establish projected starts before approving the development of a standard, prioritising those that have high demand and only developing low volume standards where the skills need or shortage is demonstrated.
- Use market insight, data sources and feedback from employers to monitor whether standards are recognised by employers, apprentices and students as a high quality and transferable mark of occupational competence. Advise the department of barriers to meeting these aims and work with the department to remove them.
- Work with the department, and other bodies, to raise the quality of apprenticeships delivery, including exploring ways to identify the level of occupational expertise needed to successfully deliver the content of a standard.

By 2023-24 the Institute is expected to deliver standards that are:

- Widely used and recognised by employers of all sizes.
- Maintained to protect quality.
- Available in all identified occupations which reflect the current and emerging requirements of employers (through a responsive review process).
- Transferable to other routes, through simple mechanisms that are recognised by employers and providers, and pay due regard to emerging and cutting-edge practices within an occupation.

1.2 In 2021-22, the Institute is asked to revise and publish occupational maps that embrace all technical qualifications and standards approved by the

Institute. Occupational maps will be updated to respond to changes in technical education and apprenticeships options and be clear, useful and accessible for the end user, including employers, learners and their advisors. To achieve this the Institute will:

- Revise and curate occupational maps so they provide information that would be useful to individuals and employers seeking information about technical education and occupations.
- Increase stakeholder awareness of the occupational maps and encourage stakeholder input to their ongoing development.
- Contribute to the department's development of interactive careers maps, based on the occupational maps, ensuring that the purpose and development of both products is distinct and complementary.

By 2023-24 the Institute is expected to work with the department to:

- Develop a set of occupational maps which provide a coherent picture of the technical education landscape, the options that relate to individual occupations and which indicate how occupations link to each other.

2. Up-to-date occupationally specific skills the economy needs to build back better

2.1 In 2021-22 the Institute is asked to prioritise the development and revision of standards that support economic recovery and meet the future skills needs of the country, including carbon reduction and technological advances, paying particular attention to standards with high employer demands. To achieve this the Institute will:

- Apply an approach to developing or revising standards that reflects the consensus of employers and other stakeholders in foreseeing emergent skills needs, convening trailblazers where necessary.
- Support the “green skills” agenda through work with stakeholders (including other government departments) and employers to identify, develop and champion it. Develop new standards that reflect emerging occupations or revise existing standards.
- By August 2021, refine and implement the revisions and review processes to ensure that standards remain relevant and are valued by employers. The processes should be agile and prioritise occupations or sectors with the greatest demand or emergent skills needs, with standards being redeveloped and changes launched within six months of a standard being identified for revision for high volume or high impact standards.
- Where take-up or completion of an apprenticeship, T Level or other qualification linked to a standard is unexpectedly low, establish the reasons for this and work with the department to remove barriers or agree a process for managing these out of the market, where appropriate, whilst protecting and maintaining quality.

- Review the implementation of the mandatory qualifications policy in the context of the objectives of the programme; and where apprenticeships include mandatory qualifications, ensure these are essential to meeting the requirements of the occupational standard. Where there are regulated qualifications and other mandatory qualifications that are deemed to be essential, where possible, these should be aligned and integrated with the end-point assessment to reduce the duplication of assessment and ensure value for money.
- Following consideration of the outcomes of the Institute's consultation on improvements to degree apprenticeships, ensure that the new policy and approach (including an implementation timeline for reviewing standards) to degree apprenticeships is finalised and published by autumn 2021. This will strengthen degree apprenticeships so that they deliver the skills needed by employers and support apprentices to achieve progression.

By 2023-24, the Institute is expected to:

- Accelerate the development and publication of high volume standards that meet the needs and recovery priorities of employers and the economy.
- Have developed and implemented processes that enable the Institute to work proactively with employers, and other relevant organisations, to revise existing standards and incorporate new technologies and carbon reduction skills.

2.2 In 2021-22 the Institute is asked to support skills-led recovery in high employment growth sectors by linking new non-qualifications-based skills provision to occupational standards including, where appropriate, supporting the development of Traineeships and some National Skills Fund (NSF) employer-led initiatives. To achieve this the Institute will:

- Provide support and guidance to ESFA traineeship policy leads on content for sector-specific traineeship development. This will focus on ensuring traineeship content is stretching and appropriate and (a) has a contributory effect on the transition to the apprenticeship and (b) is the minimum required to move someone into a position to compete for an apprenticeship, or into employment, without completing learning that constitutes completing an occupational standard.
- Provide support to the department for NSF policy and design, and of future Skills Bootcamps with a focus on ensuring they are aligned to the relevant employer-led standard in order to support progression on to further technical training approved by the Institute.

By 2023-24, the Institute is expected to have:

- Assisted with the development of effective and proven arrangements for aligning pre-apprenticeship provision with standards.
- Assisted the department in the development of sector-specific traineeship models in multiple sectors that are focused on building a pipeline to apprenticeships and employment at levels 2 to 4.

- Provided advice and assistance on future development and assessment of NSF Skills Bootcamps, including published guidance for future bidders on best practice for aligning provision to the relevant employer-led standard.

2.3 In 2021-22 the Institute is asked to contribute to the development and promotion of more flexible models of apprenticeship delivery, including systematic ways to identify and structure delivery of apprenticeship standard content whilst protecting and maintaining quality. To achieve this the Institute will:

- Encourage employers and providers to deliver more apprenticeships which are tailored to meet the needs of individual apprentices and sectors. This includes through increased use of front-loaded training and setting out detail on how other technical qualifications link to standards to enable rapid progression into accelerated apprenticeships. This also includes working with the department on the ministerial commitment to develop portable apprenticeship models in sectors where short contracts currently prevent engagement with apprenticeships.
- Support the department in the alignment to other key skills programmes including Skills Bootcamps, T Levels, and sector specific traineeships to inform recommendations on content, duration and cost, including in support to progression into accelerated apprenticeships based on validated recognised prior learning.

By 2023-24, the Institute is expected to have:

- Assisted with increasing the take-up of flexibilities in apprenticeships so that employers, providers and apprentices are informed and able to tailor apprenticeships to meet their needs. This includes through tailored duration, content, and how training is delivered, while maintaining quality through tracking progress toward occupational competency. Clear progression routes will be established from other technical education offers, joining up the skills landscape. This will build on the initial launch of flexible apprenticeships in construction, health and social care, and creative in 2021-22.

2.4 In 2021-22, the Institute is asked to deliver an apprenticeship funding band recommendations methodology that supports uptake of high quality apprenticeships. As an integral part of the standards creation and revision process, the recommendations methodology robustly and transparently assesses eligible costs and provides value for money for the taxpayer. To achieve this the Institute will deliver:

- A high quality evidence base developed on the actual costs of delivery of training and end-point assessment, along with a clear plan for maintaining and enhancing this evidence base over time.

- An improved new methodology implemented through a clear transition plan which manages market impact to support stability and to avoid unacceptable disruption to the availability of work-based training, especially during economic recovery from the pandemic. The recommendations process and any associated changes will be well understood by stakeholders.
- An agile and responsive review process that enables a risk-based approach, ensuring standards receive timely funding band reviews informed by market intelligence from delivery. This process prioritises funding reviews where there is evidence available that uptake of a standard may help to address skills shortages. In support of market stability, recommendations for adjustments to existing funding bands continue to be informed by high quality evidence that typical eligible delivery costs for a standard have changed. The impact on starts of all funding band changes will be actively monitored, working closely with the department to support required interventions.

By 2023-24, the Institute is expected to have:

- All standards receiving risk-based, timely funding band reviews, prioritised to support uptake and value for money. A process that continues to include channels for early review based on market and department feedback.
- Evidence, from baselining and monitoring, that its new funding band recommendations methodology is supporting improved transparency, consistency, and value for money.

3. Technical education products that provide reliable assessment and certification and are valued by learners and employers

3.1 In 2021-22, the Institute is asked to support and commence implementation of the post-16 qualifications review and Skills for Jobs white paper to ensure a streamlined, high quality level 2 and level 3 skills offer for ages 16-19 and adults. To achieve this the Institute will:

- Continue to advise and support the department in developing policy and plans around the level 3 and below qualifications review subject to the outcome of the October 2020 consultation. In particular, by providing input on implementation considerations and resource requirements to shape delivery plans, and ensuring the needs of employers are sufficiently accounted for within those plans.
- Develop a robust, streamlined and effective approvals process and plans for the approval of level 3 technical qualifications. This should reflect the importance of employer involvement in the approval of such qualifications, working closely with the department and Ofqual to ensure that this process aligns with the outcomes of the government consultation and subsequent policy decisions, and that approvals criteria and processes are clear and understood by Awarding Organisations (AOs).

- Take forward agreed qualifications review plans and processes, with regard to Wave 1 and 2 T Levels, to support the defunding of overlapping technical qualifications for 16-19 and approve relevant reformed qualifications for the 2023-24 academic year, subject to the outcome of the consultation and any future legislation.
- Continue to advise and support the department in developing proposals on level 2 and below, following the call for evidence, and in subsequently finalising policy position for level 2 and below technical qualifications (and any others for which the Institute will play a role) post-consultation.

By 2023-24, the Institute is expected to have:

- Subject to the outcome of the October 2020 consultation, reviewed the maximum possible number of relevant level 3 technical qualifications and, where they meet the set requirements, approved them as part of the funding process ready for the 2023-24 academic year.
- Developed and played a role in an appeals process for proposed qualifications that are not approved, to be completed by 2024-25.
- Started to implement the review process for level 3 technical qualifications as part of the funding process for the 2024-25 academic year.
- Agreed a process for the review of level 2 and below technical qualifications (and any others for which the Institute will play a role) in line with any agreed policy position post-consultation.

3.2 In 2021-22, the Institute is asked to ensure that T Levels are developed in accordance with the overarching technical education programme and are of a consistently high quality, in that they meet employers' needs and provide a strong educational platform for learners. To achieve this the Institute will:

- Work with the department, Ofqual and AOs to ensure that, where appropriate, alternative arrangements are put in place for T Level assessments that mitigate the impacts of Covid-19.
- Work with AOs to develop Wave 3 T Level qualifications
- Procure AOs to develop and deliver Wave 4 T Level qualifications.
- Ensure that AOs meet their contractual obligations that the contractual arrangements with AOs are regularly reviewed for improvements, and the quality of T Levels is maintained across all waves.
- Complete a review and analysis of future T Levels for agreement with ministers.
- Support the adaptation of T Levels for adults.
- Develop progression profiles for T Levels to employment and apprenticeships, including accelerated apprenticeship options.
- Develop a timeline and approach for second generation contracts for Wave 1 T Levels.

By 2023-24, the Institute is expected to have:

- Developed high quality Technical Qualifications (TQs) for T Levels which: have been tested with employers and providers; have valid, reliable and manageable assessments; and are approved with sufficient time for providers to prepare for delivery.
- Selected TQ AOs through a fair process and contracts are managed carefully to ensure they meet key performance indicators.
- Where the Secretary of State has agreed that new T Levels should be developed, development of high quality TQs for these is underway.
- Determined the arrangements for second generation T Level contracts for Wave 1 and 2 T Levels.

3.3 In 2021-22, the Institute is asked to ensure that at levels 4-5, it continues to roll out, manage, and refine Institute approval of higher technical qualifications (HTQs) and establishes a list of approved qualifications. To achieve this the Institute will:

- Approve the first cycle of HTQs in digital by June 2021.
- Refine the application process for cycle 2 in light of lessons learned by April 2021.
- Close applications for the second cycle of HTQs in construction, and health and science by December 2021.
- Continue to learn lessons as the roll-out gathers pace, in preparation for cycle 3.
- Work with the department to further develop HTQs policy, and in line with wider government policy such as the Skills for Jobs white paper. This will include, for example, work to consider approval of higher technical modules and small qualifications.

By 2023-24 the Institute is expected to have reached a position where:

- Providers are able to select, develop and market HTQs that meet employer needs. These should include a range of digital qualifications approved against a majority of digital occupational standards, and a range of health and science and construction qualifications, approved against a majority of health and science and construction occupational standards.
- An established annual process for HTQ approvals meets key delivery tests, as set out in the statutory notice issued to the Institute in July 2020, and delivers against agreed success measures.

3.4 In 2021-22, the Institute is asked to assure and raise the quality of apprenticeship assessments and technical qualifications. To achieve this the Institute will:

- Continue to work closely with Ofqual and the department to develop and operationalise, from summer 2021, the long-term assurance model for technical qualifications.
- Make sure every apprenticeship end-point assessment (EPA) plan remains relevant and robust over time. The model should cover aspects including but not limited to:

- availability of assessment plans;
 - review of process and timescales;
 - consistency of assessor requirements including qualifications; and
 - suitability of assessment methods and the use of digital solutions by default where this does not reduce quality.
- Make arrangements for the External Quality Assurance (EQA) of apprenticeship assessments that the Institute carries out now, to be done instead by Ofqual, by the end of 2021.
 - Make similar arrangements for all other EQA, which other persons now carry out, by the end of 2022.

By 2023-24 the Institute is expected to have reached a position where:

- The long-term assurance model for technical qualifications is fully operationalised to support implementation of the qualifications review.
- The Institute has established oversight of a simplified and credible apprenticeship EQA system, with Ofqual and OfS and a small number of regulated bodies in delivery, and the employer voice is prevalent in the system.
- All apprenticeship assessment plans are fit for purpose and consistently quality assured.
- Apprenticeship assessment plans have been formally reviewed to incorporate flexibilities and improvements, with older plans brought up to date as needed.
- Lessons learned from ongoing reviews, the assurance model and Covid-19 are identified and applied to the development of new apprenticeship assessment plans. There are plans for innovation and ongoing development of assessment methodology and delivery, aimed at improving quality of assessment, apprentice experience and value to the employer, developed and implemented.
- Each regulated profession has integrated apprenticeship assessment plans in place and end-point assessment organisations are fully engaged in the transition. Where the trailblazer has 'opted out' of integration, records should be kept to explain decisions.

ANNEX B: LEGAL BASIS FOR THE GUIDANCE

The strategic guidance is a 'statutory notice' to which the Institute must have regard and is given by the Secretary of State under section ZA2(2) to the Apprenticeships, Skills, Children and Learning Act 2009 (the 2009 Act). Under ZA2(9) of the 2009 Act, a copy of this notice will be laid before Parliament and published on <https://www.gov.uk/government/publications>. The Institute is legally obliged to report to the Secretary of State on its activities once a year through its Annual Report.

Strategic guidance enables government to give the Institute steers and advice about elements of policy that it considers fundamental to which the Institute must have regard. The Institute is an independent organisation, able to choose how to operationalise that advice.

The Secretary of State is able to update and reissue this guidance at any time, usually only when further clarity or policy changes are required. Where possible, changes will be made once a year.

The Institute has a number of core functions set through legislation:

- setting quality criteria for the development of all standards and apprenticeship assessment plans, irrespective of level for occupations which the Institute considers appropriate;
- reviewing, rejecting or approving (and publishing) standards and apprenticeship assessment plans;
- for each standard, describing the occupation and the outcomes which a person will be expected to attain to successfully achieve the standard;
- maintaining and publishing occupational maps in relation to the 15 occupational routes;
- ensuring all apprenticeship assessments are quality assured;
- developing and approving technical qualifications based on occupational standards, maintaining their content and quality where there is an approved technical qualification, and determining additional steps towards occupational competence;
- operating the procurement process; and
- awarding and managing the contracts which will involve Awarding Organisations delivering the technical qualification within T Levels.

In addition, the Institute will provide advice and assistance to the Secretary of State in relation to:

- funding provision for apprenticeship training;
- technical education funding (in particular, the allocation of T Levels to funding bands) and policy;
- the T Level transition framework; and
- the introduction of T Levels (including the sequencing of those to be taught from 2022 onwards).